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April 8, 2022

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street – Second Floor North Harrisburg, PA 17120

re: PUC Proposed Rulemaking - Docket No. L-2019-3010267

To Whom It May Concern:

The Pennsylvania Energy Infrastructure Alliance (PEIA) comprises more than 30 labor, agriculture, conservation, manufacturing, and other industrial and business interests that support the safe, responsible development of pipelines and related energy infrastructure projects that power our economy and protect the environment.

Last year, the Pennsylvania Public Utility Commission (PUC) introduced a proposed rulemaking that would add onerous, unnecessary regulations for public utilities operating pipelines that transport petroleum products and hazardous liquids. This impacts not only a number of Pennsylvania utilities and pipeline operators, but also consumers and landowners across the commonwealth.

Among other issues, we believe the proposed regulations conflict with federal regulations under the Pipelines and Hazardous Materials Safety Administration (PHMSA) and would disrupt service reliability, directly impeding the PUC's own mission of providing "safe and reliable utility service at reasonable rates." Many of the pipelines that would be subject to these regulations are part of a system that crosses state lines, meaning different parts of the same pipeline system would be regulated differently. Pennsylvania would be the only state regulated to this degree.

Given the effectiveness of current safety regulation --- pipelines are already the safest way to transport hazardous liquids under the federal regime --- the costs of imposing these regulations far outweigh any potential benefits of adopting this rulemaking. The regulations would amount to a multi-billion-dollar imposition for some pipeline operators. It is disconcerting that the PUC has not performed any economic analysis of the costs and delays that would be caused by adopting these regulations. Adding

additional regulatory requirements and restrictions discourages growth of the industry and negatively impacts employment that so many of our skilled laborers rely upon to support their families, while potentially hitting them again with increased fuel costs for all consumers.

Pennsylvania has emerged as one of the country's leading energy producers and suppliers. Since 2013, the commonwealth has surpassed several states to become the United States' second-largest producer of natural gas, and continues to move toward the top, and that has had a tremendous impact on the state's economy and local communities. Pennsylvania's success owes itself largely to pipeline construction, which provides the safest and most reliable mode of energy transportation.

Developers and unions have a vested interest in ensuring public safety, protecting local lands and water, and in the successful construction and operations of each project. As production in Pennsylvania continues to grow, the state must be able to swiftly develop the proper infrastructure to utilize the many resources available. Piling on additional regulation will only overburden the industry and workers unnecessarily.

As a representative of both skilled laborers and our industrial and manufacturing sectors, and for the well-being of our entire commonwealth, PEIA urges the PUC to reconsider its proposed rulemaking (Docket No. L-2019-3010267). Thank you.

SINCERELY,

Kurt Knaus, Spokesman

Pennsylvania Energy Infrastructure Alliance